

# FY 2008-09 BUDGET

## BUDGET SECTION SUMMARY

Section Title:

SANITATION ZONE - AIRPORT / LARKFIELD / WIKIUP

### A. Program Description

This budget finances the operation, maintenance, and administration of a collection system, trunk line, and treatment plant serving the Airport/Larkfield/Wikiup area.

### B. Financial Summary

Section				NET COST/USE OF FUND BALANCE		
	FY 07-08 Adopted	FY 08-09 Requested	Percent Change	FY 07-08 Adopted	FY 08-09 Requested	Percent Change
Operations	\$2,970,406	\$3,157,387	6.29%	\$995,522	\$726,826	(26.99%)
Bonds	291,336	285,923	(1.86%)	(209,585)	(215,000)	2.58%
Construction	500,460	850,461	69.94%	483,680	810,461	67.56%
Acquisition	116,276	0	(100.00%)	(135,286)	0	(100.00%)
<b>TOTAL:</b>	<b>\$3,878,478</b>	<b>\$4,293,771</b>	<b>10.71%</b>	<b>\$1,134,331</b>	<b>\$1,322,287</b>	<b>16.57%</b>

### C. Staffing Summary

No staffing is allocated to this index.

### D. Workload Summary

Workload Indicator	FY 06-07 Actual	FY 07-08 Budget Estimate	FY 07-08 Revised Estimate	FY 08-09 Projected	Change from FY 07-08 Budget Estimate
Total ESDs	3,533	3,550	3,564	3,564	0.39%
Total APNs	2,634	2,648	2,643	2,643	(0.19%)

### E. Summary of Issues and Significant Changes

The Airport SZ's treatment plant was originally designed as a zero discharge plant with the ability to treat an average daily dry weather flow of up to 0.3 million gallons per day (mgd) to secondary wastewater treatment standards. The plant has been expanded twice and was a buildout capacity of 1.2 mgd. the plant was upgraded to provide tertiary treatment in 2002 and currently has a permitted capacity of 0.9 mgd.

Since the upgrade to tertiary treatment, rate increases have not keep pace with the increased operations costs. Additionally, the filtration system, may need to be expanded to improve the reliability of the treatment system, while various steps have been taken to improve performance of the filtration system, significant funds may need to be expended in the future to affect a long-term solution.

The requested rate per ESD for FY 08-09 annual service charges is \$509, representing a 8.0% increase from FY 07-08. Rate Increases of at least 8% will be needed to balance operational revenue and costs over the next several years. In the recent years the Airport SZ has had insufficient funds to cover the ongoing operational expenses. Charges have been transferred to the Agency's General Fund and have not been recovered from the Airport SZ.

The Acquisition Fund was established to disburse monies for the Photovoltaic Project. The project has been completed and the Acquisition Fund is now closed.

**F. Summary of Reduction Options**

No reduction options are proposed.

**G. Attachments**

- Summary of Revenues and Expenditures
- Character Justification
- Statement of Special Fund Activity

**FY 2008-09 BUDGET**  
**SUMMARY OF REVENUES AND EXPENDITURES**

**Section Title:** SANI ZONE - AIRPORT / LARKFIELD / WIKIUP - OPERATIONS  
**Section/Index No:** 682104

Sub-Object No. and Title	Adopted 2007-08	Requested 2008-09	Difference	Percent Change
<b>REVENUES:</b>				
<b><u>TAXES</u></b>				
1001 Flat Charges - CY	\$1,465,469	\$1,590,401	\$124,932	8.53%
1061 Flat Charges - PY	12,000	12,000	0	0.00%
1120 Penalties / Costs on Taxes	2,000	2,000	0	0.00%
<b>Subtotal Taxes</b>	<b>\$1,479,469</b>	<b>\$1,604,401</b>	<b>\$124,932</b>	<b>8.44%</b>
<b><u>USE OF MONEY</u></b>				
1700 Interest on Pooled Cash	\$2,375	\$4,000	\$1,625	68.42%
<b>Subtotal Use of Money</b>	<b>\$2,375</b>	<b>\$4,000</b>	<b>\$1,625</b>	<b>68.42%</b>
<b><u>CHARGES FOR SERVICES</u></b>				
3400 Sanitation Services	\$113,040	\$122,160	\$9,120	8.07%
3403 Industrial Users Monit/Dis	0	50,000	50,000	N/A
<b>Subtotal Charges for Services</b>	<b>\$113,040</b>	<b>\$172,160</b>	<b>\$59,120</b>	<b>52.30%</b>
<b><u>MISCELLANEOUS REVENUE</u></b>				
4102 Donations/Reimbursements	\$0	\$150,000	\$150,000	N/A
<b>Subtotal Miscellaneous Revenue</b>	<b>\$0</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>N/A</b>
<b><u>RESIDUAL EQUITY TRANSFER</u></b>				
4880 Ret-Between Entities-BOS	\$380,000	\$500,000	\$120,000	31.58%
<b>Subtotal Residual Equity Transfer</b>	<b>\$380,000</b>	<b>\$500,000</b>	<b>\$120,000</b>	<b>31.58%</b>
<b>TOTAL REVENUES</b>	<b>\$1,974,884</b>	<b>\$2,430,561</b>	<b>\$455,677</b>	<b>23.07%</b>

**EXPENDITURES:**

**SERVICES AND SUPPLIES**

6040 Communications	\$3,500	\$5,000	\$1,500	42.86%
6140 Maintenance - Equipment	80,000	40,000	(40,000)	(50.00%)
6180 Maintenance - Bldgs/Impr	200,000	160,000	(40,000)	(20.00%)
6262 Lab Supplies	1,500	20,000	18,500	1233.33%
6512 Testing/Analysis	25,000	25,000	0	0.00%
6522 District Services	4,000	30,000	26,000	650.00%
6523 District Operations	620,000	1,068,000	448,000	72.26%
6570 Consultant Services	5,000	44,000	39,000	780.00%
6573 Administration Costs	12,000	15,000	3,000	25.00%
6610 Legal Services	2,000	6,000	4,000	200.00%

Sub-Object No. and Title	Adopted 2007-08	Requested 2008-09	Difference	Percent Change
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**EXPENDITURES:**

**SERVICES AND SUPPLIES (Contd.)**

6616 Change of Venue	58,383	0	(58,383)	(100.00%)
6629 Fiscal Accounting Services	20,000	20,000	0	0.00%
7206 Equipment Usage Charges	85,000	85,000	0	0.00%
7212 Chemicals	85,000	85,000	0	0.00%
7217 State Permits / Fees	15,000	25,000	10,000	66.67%
7247 Water Conservation Program	1,000	0	(1,000)	(100.00%)
7250 Reimbursable Projects	0	50,000	50,000	N/A
7320 Utilities	125,000	75,000	(50,000)	(40.00%)
<b>Subtotal Services and Supplies</b>	<b>\$1,342,383</b>	<b>\$1,753,000</b>	<b>\$410,617</b>	<b>30.59%</b>

**OTHER CHARGES**

7920 Interest	\$0	\$98,175	\$98,175	N/A
7980 Depreciation	1,114,000	1,043,750	(70,250)	(6.31%)
<b>Subtotal Other Charges</b>	<b>\$1,114,000</b>	<b>\$1,141,925</b>	<b>\$27,925</b>	<b>2.51%</b>

**OTHER FINANCING USES**

8625 OT - W/in Special Dist - BOS	\$502,023	\$250,462	(\$251,561)	(50.11%)
<b>Subtotal Other Financing Uses</b>	<b>\$502,023</b>	<b>\$250,462</b>	<b>(\$251,561)</b>	<b>(50.11%)</b>

**APPROPRIATIONS FOR CONT**

9000 Appropriations for Contingencies	\$12,000	\$12,000	\$0	0.00%
<b>Subtotal Appropriations for Contin.</b>	<b>\$12,000</b>	<b>\$12,000</b>	<b>\$0</b>	<b>0.00%</b>

**ADMINISTRATIVE CONTROL ACCOUNT**

9200 Ent - Principal	\$0	\$153,387	\$153,387	N/A
9209 Ent - Principal Clearing	0	(153,387)	(153,387)	N/A
<b>Subtotal Administrative Control</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>

<b>TOTAL EXPENDITURES</b>	<b>\$2,970,406</b>	<b>\$3,157,387</b>	<b>\$186,981</b>	<b>6.29%</b>
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<b>TOTAL NET COST</b> (Expenditures Minus Revenues)	<b>\$995,522</b>	<b>\$726,826</b>	<b>(\$268,696)</b>	<b>(26.99%)</b>
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**FY 2008-09 BUDGET**  
**CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Sanitation

**Section Title:** Sanitation Zone - Airport/Larkfield/Wikiup - Operations

**Character Title:** Taxes

**Character No.:** 682104-10

**1001 Flat Charges - CY**

Flat charge revenue from annual service charges is expected to increase from the adopted FY 07-08 budget. The rate will increase approximately 8.0%, from \$471 to \$509.

ESDs times annual rate:	3,324	x	\$509	\$1,691,916
Less Estimated Delinquency Factor:	6%			(101,515)
				<hr/>
				\$1,590,401

(See SubObject 3400 for Total ESDs)

**1061 Flat Charges - PY**

This account records the estimated delinquent amount of prior years sewer service charges.

**1120 Penalties / Costs on Taxes**

This item records penalties paid on delinquent sewer service charges.

**Character Title:** Use of Money

**Character No.:** 682104-17

**1700 Interest on Pooled Cash**

This account records interest on pooled cash held for the Zone by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	\$100,000
Projected Interest Rate	<hr/> 4.00%
Projected/Planned Interest on Pooled Cash	\$4,000

**Character Title:** Charges for Services

**Character No.:** 682104-30

**3400 Sanitation Services**

This account records annual sewer service charges for entities that are invoiced, rather than collected as flat charges on the tax roll, and for new hook-ups as they occur during the year. The Sanitation Rate Ordinance requires that charges be collected at the time permits are issued. The properties are then added to the tax roll master listing and collected through sub-object 1001, Flat Charges, in the following year.

Based on projected FY 08-09 ESDs, the Zone will experience an increase in revenue from invoiced entities. The budgeted revenue reflects an increase in the annual sewer service charge from \$471 to \$509.

ESDs x Annual Charge	240	x	\$509	=	\$122,160
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**3403 Ind Users Monitoring/Discharge**

This account records revenue associated with the Industrial Users Monitoring program or revenue received from any industrial user for events such as an unauthorized (or specially authorized) discharge into the treatment plant.

**Character Title:** Miscellaneous Revenue

**Character No.:** 682104-40

**4102 Donations/Reimbursements**

This account will record anticipated revenue from the Town of Windsor to lease a portion of the Ocean View reservoir (\$100,000) and anticipated revenue from the ISF Power Resources Fund for the purchase photovoltaic assets (\$50,000).

**Character Title:** Residual Equity Eransfer

**Character No.:** 682104-48

**4880 Ret-Between Equity-BOS**

This account records revenue from the General Fund to cover expenditures.

**Character Title:** Services and Supplies

**Character No.:** 682104-60

**6040 Communications**

This account records expenses paid by the Zone for outside communication and wireless services.

**6140 Maintenance - Equipment**

This account records the costs for routine maintenance of equipment.

**6180 Maintenance - Bldgs / Impr**

This account records the cost of parts and materials required to maintain the collection system and treatment facilities.

**6262 Laboratory Supplies**

This account records the cost of lab supplies required for testing and monitoring wastewater.

**6512 Testing/Analysis**

This account records expenses incurred to comply with all regulatory testing requirements.

**6522 District Services**

This accounts records the service and supply type items associated with operations and maintenance of the Zone's facilities. Our recent cost experience indicates that higher costs may incurred during the forthcoming year.

**6523 District Operations**

This account records the cost of labor and overhead associated with operations and maintenance of the Zone's facilities.

**6570 Consultant Services**

This account records the cost of consultant services required in support of special projects including work on Sanitary Management Plan (\$19,000) PJ 7065-01 and agreement with ZSI (\$5,000) PJ 7231-02.

**6573 Administration Costs**

This account represents the 1% administration fee assessed by the County for processing collection of flat charges on the tax roll.

**6610 Legal Services**

This item is requested to provide funds for the estimated cost of legal services to be provided by County Counsel, or outside legal services, as required.

**6629 Fiscal Accounting Services**

This item records the direct charge for services provided by the Fiscal Services Section of the County Auditor Controller's Office for staff costs attributed to Zone's accounting.

**7206 Equipment Usage Charges**

This item is requested to provide funds for equipment usage.

**Character Title:** Services and Supplies (Continued)

**Character No.:** 682104-60

**7212 Chemicals**

This account records the cost of chemicals required for operation of the treatment plant. The requested amount is considered necessary to meet the requirements of the Zone's operating permit (waste discharge requirements), as required by the North Coast Regional Water Quality Control Board.

**7217 State Permits / Fees**

This account records the cost of District permits as mandated by the Regional Water Quality Control Board.

**7250 Reimbursable Projects**

This account records any expense that are expected to be covered by reimbursement. The budget request is based on projected expenses associated with the Environmental Compliance inspector and the program for monitoring industrial users.

**7320 Utilities**

This account records the cost of payments made for utilities such as gas, electricity, and water. Budget reduction is due to the plant generating it's own power.

**Character Title:** Other Charges

**Character No.:** 682104-75

**7920 Interest**

This account reflect the interest payable on the lease payments. The interest payment began April 2005 and will continue to October 2020. Previously paid under ALW Acquisition Fund (682401).

**7980 Depreciation**

Generally Accepted Accounting Principles require that depreciation be expensed each year.

**Character Title:** Other Financing Uses

**Character No.:** 682104-86

**8625 OT - W/in Special Dist - BOS**

This account reflects the transfer of cash from the Operations Fund to the Bond Fund cover the principal and interest payments.

**Character Title:** Administrative Control

**Character No.:** 682104-92

**9200 Ent - Principal**

This account reflects the principal expense for the capital lease. Payments will begin April, 2006 and continue until October, 2020. The request for the forthcoming fiscal year is based on the rental payment schedule. Previously paid under ALW Acquisition Fund (682401).

The following reflects the rental payment history to date:

Original Purchase Price:	\$2,750,000
Total FY 05-06 through FY 06-07 Principal Payment:	(158,516)
FY 07-08 Principal Payment:	<u>(165,802)</u>
Outstanding Balance	\$2,425,682

**9209 Ent - Principal Clearing**

This is the clearing account for sub-object 9200, Ent - Principal.

**Character Title:** Appropriations for Contingencies

**Character No.:** 682104-90

**9000 Appropriations for Contingencies**

This account provides funding for unanticipated expenditures or revenue shortfalls.

# FY 2008-09 BUDGET

## STATEMENT OF SPECIAL FUND ACTIVITY

**Department:** Sonoma County Water Agency - Sanitation

**Section:** Sanitation Zone - Airport / Larkfield / Wikiup - Operations

**Index No.:** 682104

DESCRIPTION OF FUND ACTIVITY	Actual FY 06-07	Estimated FY 07-08	Requested FY 08-09
<b>Undesignated/Unreserved <u>BEGINNING</u> Fund Balance</b>			
<b>Available for Budgeting (See Detailed Components Below)</b>	<b>\$445,948</b>	<b>\$320,606</b>	<b>\$124,949</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase fund balance	2,065,300	2,395,902	2,430,561
Expenditures - (Decrease) fund balance	(2,913,530)	(3,484,947)	(3,157,387)
<b>Net Surplus or Deficit - Increase/(Decrease) to fund balance</b>	<b>(848,230)</b>	<b>(1,089,045)</b>	<b>(726,826)</b>
<b>Adjustments to Reserves/Encumbrances:</b>			
7980 - Depreciation	824,062	1,007,264	1,043,750
Net Change in Encumbrance	(35,790)	39,511	-
Change in Lease Payment	-	(153,387)	-
Principle Payment	-	-	(153,387)
Post Audit Adjustment - Prepaid Expense	(7,008)	-	-
Post Audit Adjustment - Payables	(58,376)	-	-
<b>Net Adjustment - Increase/(Decrease) to Fund Balance</b>	<b>722,888</b>	<b>893,388</b>	<b>890,363</b>
<b>Undesignated/Unreserved <u>ENDING</u> Fund Balance</b>			
<b>Available for Budgeting</b>	<b>\$320,606</b>	<b>\$124,949</b>	<b>\$288,486</b>
<b>Total Increase/(Decrease) in Fund Balance for Fiscal Year</b> <i>(Difference between Beginning and Ending Balance)</i>	<b>(\$125,342)</b>	<b>(\$195,657)</b>	<b>\$163,537</b>
<b><u>Fund Balance Components at Beginning of FY</u></b>	<b><u>7/1/06</u></b>	<b><u>7/1/07</u></b>	
Cash	\$442,223	\$296,354	
Other Receivables	25,966	98,001	
Prepaid Expense	47,787	40,779	
Accounts Payable	(66,307)	(75,017)	
Encumbrances	(3,721)	(39,511)	
<b>Total Beginning Fund Balance</b>	<b>\$445,948</b>	<b>\$320,606</b>	



# FY 2008-09 BUDGET

## SUMMARY OF REVENUES AND EXPENDITURES

**Section Title:        SANITATION ZONE - A.L.W. - BONDS**  
**Section/Index No: 682203**

Sub-Object No. and Title	Adopted 2007-08	Requested 2008-09	Difference	Percent Change
<b>REVENUES:</b>				
<b><u>OTHER FINANCING SOURCES</u></b>				
4625 OT -W/in Special Dist - BOS	\$500,921	\$500,923	\$2	0.00%
<b><i>Subtotal Other Financing Sources</i></b>	<b>\$500,921</b>	<b>\$500,923</b>	<b>\$2</b>	<b>0.00%</b>
<b>TOTAL REVENUES</b>				
	<b>\$500,921</b>	<b>\$500,923</b>	<b>\$2</b>	<b>0.00%</b>
<b>EXPENDITURES:</b>				
<b><u>SERVICES AND SUPPLIES</u></b>				
6635 Fiscal Agent Fees	\$9,415	\$9,900	\$485	5.15%
6640 Debt Issuance	6,594	6,594	0	0.00%
<b><i>Subtotal Services and Supplies</i></b>	<b>\$16,009</b>	<b>\$16,494</b>	<b>\$485</b>	<b>3.03%</b>
<b><u>OTHER CHARGES</u></b>				
7920 Interest	\$275,327	\$269,429	(\$5,898)	(2.14%)
<b><i>Subtotal Other Charges</i></b>	<b>\$275,327</b>	<b>\$269,429</b>	<b>(\$5,898)</b>	<b>(2.14%)</b>
<b><u>OTHER FINANCING USES</u></b>				
8625 OT -W/in Special District - BOS	\$0	\$0	\$0	N/A
<b><i>Subtotal Other Charges</i></b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b><u>ADMINISTRATIVE CONTROL ACCOUNT</u></b>				
9200 Ent - Principal	\$210,000	\$215,000	\$5,000	2.38%
9209 Ent - Principal Clearing	(210,000)	(215,000)	(5,000)	2.38%
<b><i>Subtotal Administrative Control</i></b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b>TOTAL EXPENDITURES</b>				
	<b>\$291,336</b>	<b>\$285,923</b>	<b>(\$5,413)</b>	<b>(1.86%)</b>
<b>TOTAL NET COST</b>				
<i>(Expenditures Minus Revenues)</i>	<b>(\$209,585)</b>	<b>(\$215,000)</b>	<b>(\$5,415)</b>	<b>2.58%</b>

# FY 2008-09 BUDGET

## CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation  
Section Title: Sanitation Zone - A.L.W. - Bonds

Character Title: Other Financing Sources Character No.: 682203-46

**4625 OT - W/in Special Dist - BOS**

This account records the transfer of funds from the Operations and Construction Fund to cover debt payment.

Character Title: Services and Supplies Character No.: 682203-60

**6635 Fiscal Agent Fees**

This account records the annual administrative fees from the trustee for the 2005 Revenue Bonds.

**6640 Debt Issuance**

This account records the cost of obtaining bond funding.

Character Title: Other Charges Character No.: 682203-75

**7920 Interest**

The 2000 bonds were completely refunded in September 2005. Bases on the refunded bond serial interest rate ranges from 2.6-5.0% over the life of the issue. The request for the forthcoming fiscal year is based on the bond amortization schedule prepared at the time the bonds were refunded.

Character Title: Other Financing Uses Character No.: 682203-86

**8625 OT - W/in Special Dist - BOS**

This account reflects amounts transferred to the Construction Fund for expenses incurred for projects eligible for funding from the proceeds of the 2005 Revenue Bond. No funds will be budgeted for FY 08-09.

Character Title: Administrative Control Character No.: 682203-92

**9200 Ent - Principal**

This account reflects the principal expense for revenue bonds that were issued in FY 05-06 to finance the capital improvements. Payments on the bonds will continue until October, 2026. The request for the forthcoming fiscal year is based on the bond amortization schedule prepared at the time the bonds were refunded.

The following reflects the bond principal payment history to date:

Original Amount of the Revenue Bond Issue:	\$6,220,000
Total 06-07 Principal Payments:	(190,000)
Total 07-08 Principal Payments:	<u>(210,000)</u>
Outstanding Bond Amount	\$5,820,000

**9209 Ent - Principal Clearing**

This is the clearing account for sub-object 9200, Ent - Principal.

# FY 2008-09 BUDGET

## STATEMENT OF SPECIAL FUND ACTIVITY

**Department:** Sonoma County Water Agency - Sanitation  
**Section:** Sanitation Zone - A.L.W. - Bonds  
**Index No.:** 682203

DESCRIPTION OF FUND ACTIVITY	Actual FY 06-07	Estimated FY 07-08	Requested FY 08-09
<b>Undesignated/Unreserved <u>BEGINNING</u> Fund Balance</b>			
<b>Available for Budgeting</b> (See Detailed Components Below)	<b>(\$239,771)</b>	<b>(\$258,517)</b>	<b>(\$235,236)</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase fund balance	460,536	497,386	500,923
Expenditures - (Decrease) fund balance	(295,256)	(291,336)	(285,923)
<b>Net Surplus or Deficit</b> - Increase/(Decrease) to fund balance	165,280	206,050	215,000
<b>Adjustments to Reserves/Encumbrances:</b>			
6640 Amortization of Debt Issuance Costs	6,594	6,594	6,594
7920 Amortization of Debt Refunding	25,637	25,637	25,637
1701 Amortization of Bond Premium	(6,257)	-	-
Change in Matured Bonds Payable	(20,000)	(5,000)	-
9200-ENT - Principal	(190,000)	(210,000)	(215,000)
<b>Net Adjustment</b> - Increase/(Decrease) to Fund Balance	(184,026)	(182,769)	(182,769)
<b>Undesignated/Unreserved <u>ENDING</u> Fund Balance</b>			
<b>Available for Budgeting</b>	<b>(\$258,517)</b>	<b>(\$235,236)</b>	<b>(\$203,005)</b>
<b>Total Increase/(Decrease) in Fund Balance for Fiscal Year</b> (Difference between Beginning and Ending Balance)	<b>(\$18,746)</b>	<b>\$23,281</b>	<b>\$32,231</b>
<b><u>Fund Balance Components at Beginning of FY</u></b>	<b>7/1/06</b>	<b>7/1/07</b>	
Cash	\$13,320	\$14,231	
Cash with Trustee	1,288	396	
Matured Bonds Payable	(190,000)	(210,000)	
Interest Payable	(64,379)	(63,144)	
<b>Total Beginning Fund Balance</b>	<b>(\$239,771)</b>	<b>(\$258,517)</b>	

# FY 2008-09 BUDGET

## SUMMARY OF REVENUES AND EXPENDITURES

Section Title:        **SANI ZONE - AIRPORT / LARKFIELD / WIKIUP - CONSTRUCTION**  
 Section/Index No:   **682302**

Sub-Object No. and Title	Adopted 2007-08	Requested 2008-09	Difference	Percent Change
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### REVENUES:

#### USE OF MONEY

1700 Interest on Pooled Cash	\$4,750	\$40,000	\$35,250	742.11%
<b>Subtotal Use of Money</b>	<b>\$4,750</b>	<b>\$40,000</b>	<b>\$35,250</b>	<b>742.11%</b>

#### MISCELLANEOUS REVENUE

4102 Donations/Reimbursements	\$0	\$0	\$0	N/A
<b>Subtotal Miscellaneous Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>

#### OTHER FINANCING SOURCES

4625 OT - W/in Special Dist - BOS	\$12,030	\$0	(\$12,030)	(100.00%)
<b>Subtotal Other Financing Sources</b>	<b>\$12,030</b>	<b>\$0</b>	<b>(\$12,030)</b>	<b>(100.00%)</b>

<b>TOTAL REVENUES</b>	<b>\$16,780</b>	<b>\$40,000</b>	<b>\$23,220</b>	<b>138.38%</b>
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### EXPENDITURES:

#### FIXED ASSETS

8510 Buildings / Improvements	\$250,000	\$600,000	\$350,000	140.00%
9142 Capital Replacement Program	0	0	0	N/A
<b>Subtotal Fixed Assets</b>	<b>\$250,000</b>	<b>\$600,000</b>	<b>\$350,000</b>	<b>140.00%</b>

#### OTHER FINANCING USES

8625 OT - W/in Special District - BOS	\$250,460	\$250,461	\$1	0.00%
<b>Subtotal Other Financing Uses</b>	<b>\$250,460</b>	<b>\$250,461</b>	<b>\$1</b>	<b>0.00%</b>

<b>TOTAL EXPENDITURES</b>	<b>\$500,460</b>	<b>\$850,461</b>	<b>\$350,001</b>	<b>69.94%</b>
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<b>TOTAL NET COST</b> <i>(Expenditures Minus Revenues)</i>	<b>\$483,680</b>	<b>\$810,461</b>	<b>\$326,781</b>	<b>(67.56%)</b>
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**FY 2008-09 BUDGET**  
**CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Sanitation  
**Section Title:** Sanitation Zone - Airport/Larkfield/Wikiup - Construction

**Character Title:** Use of Money **Character No.:** 682302-17

***1700 Interest on Pooled Cash***

This account records interest on pooled cash held for the Zone by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	\$1,000,000
Projected Interest Rate	<u>4.00%</u>
Projected/Planned Interest on Pooled Cash	\$40,000

**Character Title:** Other Financing Sources **Character No.:** 682302-46

***4625 OT - W/in Special Dist - BOS***

This account reflects the transfer of cash from the Bond Fund to the Construction Fund to finance the capital projects. No funds will be budgeted for FY 08-09.

**Character Title:** Fixed Assets **Character No.:** 682302-85

***8510 Buildings / Improvements***

This account can be used to provide capacity to new users pursuant to the County General Plan (using connection fee revenue), as well as for treatment plant and reclamation system improvement projects. The following projects are planned for the coming year:

Aeration Basin #4-These funds will be used to begin design of a fourth aeration basin (\$400,000).  
Membrane Filter Replacement (\$200,000)

***9142 Capital Replacement Program***

This account reflects funds for repair and replacement of the sewer collection system. Long-term replacement of existing facilities that are worn out and in disrepair will help to bring the facilities up to current sanitation standards and will extend the life of the sanitation infrastructure. No funds will be budgeted for FY 08-09.

**Character Title:** Other Financing Uses **Character No.:** 682302-86

***8625 OT - W/in Special Dist - BOS***

This account reflects the transfer of cash from the Construction Fund to the Bond Fund for payment of one-half the principal and interest (\$250,461).

# FY 2008-09 BUDGET

## STATEMENT OF SPECIAL FUND ACTIVITY

**Department:** Sonoma County Water Agency - Sanitation  
**Section:** Sanitation Zone - Airport / Larkfield / Wikiup - Construction  
**Index No.:** 682302

DESCRIPTION OF FUND ACTIVITY	Actual FY 06-07	Estimated FY 07-08	Requested FY 08-09
<b>Undesignated/Unreserved <u>BEGINNING</u> Fund Balance</b>			
<b>Available for Budgeting</b> (See Detailed Components Below)	<b>(\$2,281,370)</b>	<b>\$1,382,159</b>	<b>\$1,093,834</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase fund balance	5,242,051	158,993	40,000
Expenditures - (Decrease) fund balance	(5,443,164)	(500,460)	(850,461)
<b>Net Surplus or Deficit - Increase/(Decrease) to fund balance</b>	<b>(201,113)</b>	<b>(341,467)</b>	<b>(810,461)</b>
<b>Adjustments to Reserves/Encumbrances:</b>			
Capitalized Interest	(131,801)	-	-
Change in Encumbrance	3,996,443	53,142	-
<b>Net Adjustment - Increase/(Decrease) to Fund Balance</b>	<b>3,864,642</b>	<b>53,142</b>	<b>-</b>
<b>Undesignated/Unreserved <u>ENDING</u> Fund Balance</b>			
<b>Available for Budgeting</b>	<b>\$1,382,159</b>	<b>\$1,093,834</b>	<b>\$283,373</b>
<b>Total Increase/(Decrease) in Fund Balance for Fiscal Year</b> (Difference between Beginning and Ending Balance)	<b>\$3,663,529</b>	<b>(\$288,325)</b>	<b>(\$810,461)</b>
<b><u>Fund Balance Components at Beginning of FY</u></b>	<b>7/1/06</b>	<b>7/1/07</b>	
Cash	\$1,902,813	\$1,583,085	
Other Receivables (Connection Fees)	-	-	
Accounts Payable	(128,122)	(133,437)	
Contract Retention Payable	(6,476)	(14,347)	
Encumbrances	(4,049,585)	(53,142)	
<b>Total Beginning Fund Balance</b>	<b>(\$2,281,370)</b>	<b>\$1,382,159</b>	

# FY 2008-09 BUDGET

## SUMMARY OF REVENUES AND EXPENDITURES

Section Title:        **SANITATION ZONE - 2006-1 SCWA ACQUISITION FUND**  
 Section/Index No:   **682401**

Sub-Object No. and Title	Adopted 2007-08	Requested 2008-09	Difference	Percent Change
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**REVENUES:**

**OTHER FINANCING SOURCES**

4625 OT -W/in Special Dist - BOS	\$251,562	\$0	(\$251,562)	(100.00%)
<b>Subtotal Other Financing Sources</b>	<b>\$251,562</b>	<b>\$0</b>	<b>(\$251,562)</b>	<b>(100.00%)</b>

<b>TOTAL REVENUES</b>	<b>\$251,562</b>	<b>\$0</b>	<b>(\$251,562)</b>	<b>(100.00%)</b>
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**EXPENDITURES:**

**OTHER CHARGES**

7920 Interest	\$104,246	\$0	(\$104,246)	(100.00%)
<b>Subtotal Other Charges</b>	<b>\$104,246</b>	<b>\$0</b>	<b>(\$104,246)</b>	<b>(100.00%)</b>

**OTHER FINANCING USES**

8625 OT -W/in Special District - BOS	\$12,030	\$0	(\$12,030)	(100.00%)
<b>Subtotal Other Charges</b>	<b>\$12,030</b>	<b>\$0</b>	<b>(\$12,030)</b>	<b>(100.00%)</b>

**ADMINISTRATIVE CONTROL ACCOUNT**

9200 Ent - Principal	\$147,316	\$0	(\$147,316)	(100.00%)
9209 Ent - Principal Clearing	(147,316)	0	147,316	(100.00%)
<b>Subtotal Administrative Control</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>

<b>TOTAL EXPENDITURES</b>	<b>\$116,276</b>	<b>\$0</b>	<b>(\$116,276)</b>	<b>(100.00%)</b>
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<b>TOTAL NET COST</b>	<b>(\$135,286)</b>	<b>\$0</b>	<b>\$135,286</b>	<b>(100.00%)</b>
<i>(Expenditures Minus Revenues)</i>				

**FY 2008-09 BUDGET**  
**CHARACTER JUSTIFICATION**

**Department - Division:** Sonoma County Water Agency - Sanitation  
**Section Title:** Sanitation Zone- 2006 - 1 SCWA Acquisition Fund

The Acquisition Fun was established to disburse monies for the Photovoltaic Project. The project has been completed and the Acquisition Fund is not closed.



# FY 2008-09 BUDGET

## STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation

Section: SANITATION ZONE - 2006-1 SCWA ACQUISITION FUND

Index No.: 682401

DESCRIPTION OF FUND ACTIVITY	Actual FY 06-07	Estimated FY 07-08	Requested FY 08-09
<b>Undesignated/Unreserved <u>BEGINNING</u> Fund Balance</b>			
<b>Available for Budgeting</b> (See Detailed Components Below)	<b>\$2,617,993</b>	<b>(\$155,456)</b>	<b>(\$155,051)</b>
<b>Annual Revenues and Expenditures:</b>			
Revenues - Increase fund balance	330,469	251,967	-
Expenditures - (Decrease) fund balance	(2,956,603)	(104,246)	-
<b>Net Surplus or Deficit</b> - Increase/(Decrease) to fund balance	(2,626,134)	147,721	-
<b>Adjustments to Reserves/Encumbrances:</b>			
4200 Proceeds from LT Debt	-	-	-
Change in Matured Lease Payable	(5,831)	-	-
9200-ENT - Principle	(141,484)	(147,316)	-
<b>Net Adjustment</b> - Increase/(Decrease) to Fund Balance	(147,315)	(147,316)	-
<b>Undesignated/Unreserved <u>ENDING</u> Fund Balance</b>			
<b>Available for Budgeting</b>	<b>(\$155,456)</b>	<b>(\$155,051)</b>	<b>(\$155,051)</b>
<b>Total Increase/(Decrease) in Fund Balance for Fiscal Year</b> (Difference between Beginning and Ending Balance)	<b>(\$2,773,449)</b>	<b>\$405</b>	<b>\$0</b>
<b><u>Fund Balance Components at Beginning of FY</u></b>	<b>7/1/06</b>	<b>7/1/07</b>	
Cash	\$2,787,353	\$18,292	
Capital Lease Payable	(141,484)	(147,315)	
Interest Payable	(27,876)	(26,433)	
<b>Total Beginning Fund Balance</b>	<b>\$2,617,993</b>	<b>(\$155,456)</b>	